



# **STATE MINING AND GEOLOGY BOARD**

## **EXECUTIVE OFFICER'S REPORT**

**For Meeting Date: December 9, 2010**

**Agenda Item No. 5: Acceptance of Regulatory Language for Designation of Mineral Resources Areas of Statewide or Regional Significance for the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties.**

**INTRODUCTION:** The State Mining and Geology Board (SMGB), based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. At its December 11, 2008, regular business meeting, the SMGB accepted California Geological Survey (CGS) Special Report 206 which updated information previously presented in a classification report on Portland cement concrete-grade (PCC) aggregate in the San Bernardino Production-Consumption (P-C) Region completed in 1984. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 143, Part VII (SR 143, Part VII) – *Mineral Land Classification of the Greater Los Angeles Area, Part VII, Classification of Sand and Gravel Resources Areas, San Bernardino Production-Consumption Region*. At its July 9, 2010, regular business meeting, the SMGB accepted the recommendations set forth by the State Geologist for designation, and termination of designation, of mineral resources of regional or statewide economic significance in the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties. A public hearing was held on July 30, 2010, to receive comment of the proposed designations and termination of designated mineral lands. The SMGB is considering accepting proposed regulatory language, which would amend CCR Section 3550.8, and directing the Executive Officer to commence the rulemaking process.

**STATUTORY ASPECTS:** The SMGB's statutory authority to incorporate mineral lands classification information into state policy is provided pursuant to Division 2, Chapter 9, Article 4, State Policy for the Reclamation of Mined Lands, Public Resources Code (PRC) Section 2761(a), which states:

*"On or before January 1, 1977, and, as a minimum, after the completion of each decennial census, the Office of Planning and Research shall identify portions of the following areas within the state which are urbanized or are subject to urban expansion or other irreversible land uses which would preclude mineral extraction:*

*(1) Standard metropolitan statistical areas and such other areas for which information is readily available.*

*(2) Other areas as may be requested by the board.*

*(b) In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely of geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:*

*(1) Areas containing little or no mineral deposits.*

*(2) Areas containing significant mineral deposits.*



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*(3) Areas containing mineral deposits, the significance of which requires further evaluation.*

*The State Geologist shall require the petitioner to pay the reasonable costs of classifying an area for which classification has been requested by the petitioner.*

*(c) The State Geologist shall transmit the information to the board for incorporation into the state policy and for transmittal to lead agencies.”*

The SMGB’s statutory authority to consider areas for designation is provided pursuant to Division 2, Chapter 9, Article 6, Areas of Statewide or Regional Significance, PRC 2790, which states:

*“After receipt of mineral information from the State Geologist pursuant to subdivision (c) of Section 2761, the board may by regulation adopt after a public hearing to designate specific geographical areas of statewide or regional significance and specify the boundaries thereof. Such designation shall be included as a part of the state policy and shall indicate the reason for which the particular area designated is of significance to the state or region, the adverse effects that might result from premature development of incompatible land uses, the advantages that might be achieved from extraction of the minerals of the area, and the specific goals and policies to protect against the premature incompatible development of the area.”*

The statutory authority which allows the SMGB to terminate, in whole or in part, an area previously designated is provided pursuant to PRC Section 2793 which states:

*“The board may, by regulation adopted after a public hearing, terminate, partially or wholly, the designation of any area of statewide or regional significance on a finding that the direct involvement of the board is no longer required.”*

**BACKGROUND:** The Department of Conservation’s (DOC) California Geological Survey (CGS) recently released Special Report 206 - *Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties, California* (Miller and Busch, 2008). This report updated information on portland cement concrete (PCC) aggregate in the original classification study of the San Bernardino Production-Consumption (P-C) Region published in 1984 as Special Report 143, Part VII - *Mineral Land Classification of the Greater Los Angeles Area; Classification of Sand and Gravel Resource Areas, San Bernardino Production-Consumption Region* (Miller, 1984).

The original classification study by Miller (1984) assisted the SMGB in a subsequent process called “designation.” Designation is the formal recognition by the SMGB of lands containing resources of regional or statewide significance that are needed to meet the demands of the future. The SMGB designated construction aggregate resource areas of regional significance in the San Bernardino P-C Region in SMARA Designation Report No. 5 - *Designation of Regionally Significant Construction Aggregate Resources in the Claremont-Upland and San Bernardino Production-Consumption Regions* (prepared by CGS under the direction of the SMGB, January 1987).

In the years since the designation of the San Bernardino P-C Region, about 18 percent, or 4,427 acres of the 24,656 acres of lands designated by the SMGB in the region has been lost to land uses

incompatible with mining. The 4,427 acres lost contained approximately 959 million tons of PCC-grade aggregate resources, which was 14 percent of the 6,887 million tons of aggregate resources designated in 1987.

The updated Mineral Land Classification study identified an additional 1,656 acres of land containing more than 334 million tons of PCC-grade aggregate in areas previously classified MRZ-3. These areas were reclassified as MRZ-2 in the update.

The candidate areas for designation or termination of designation are shown on two Plates:

- Plate 1 - *Candidate Areas for Updated Designation in the Northern San Bernardino Production-Consumption (P-C) Region, San Bernardino and Riverside Counties, and*
- Plate 2 - *California and Candidate Areas for Updated Designation in the Southern San Bernardino Production-Consumption (P-C) Region, San Bernardino and Riverside Counties, California.*

A description of each candidate area is provided below.

**CANDIDATE AREAS FOR DESIGNATION:** The State Geologist has identified each sector, or group of sectors that meets or exceeds the SMGB's threshold economic value. Each Sector may be considered for designation as an area of regional or statewide significance by the SMGB pursuant to Article 6, Section 2790 *et seq.* (SMARA). Candidates for designation (i.e., areas reclassified MRZ-2) are further discussed and described below.

New information obtained since the publication of the 1988 Mineral Land Classification study has resulted in the reclassification of some areas originally classified MRZ-3 in that study. There are two areas reclassified as MRZ-2 for PCC-grade aggregate. One is between Sectors A and B, and is identified as Sector J which is divided into 13 subsectors; and the other is north of Lake Elsinore and is identified as Sector K. Each of the Sectors below meets or exceeds the threshold value as established by the Board. At the time of the updated classification study, that threshold value amounted to approximately 1.3 million tons of aggregate. The permitted aggregate resources contained in these Sectors are considered proprietary.

Candidate Sector J-1 (65 acres): This Sector is in Sections 7 and 18 T1N, R5W, SBBM. It is bounded to the southeast by the 15 Freeway and on the northwest by Lytle Creek Road. It is adjacent to Sector B-2 on the northeast.

Candidate Sector J-2 (33 acres): This Sector is in Section 13, T1N, R6W, SBBM. It is northeast of the 15 Freeway.

Candidate Sector J-3 (38 acres): This Sector is in Section 13, T1N, R6W, SBBM. It is bounded on the northwest by the 15 Freeway, on the east by Citrus Avenue, and on the south by Duncan Canyon Road.

Candidate Sector J-4 (91 acres): This Sector is in Sections 18, T1N, R5W, SBBM. It is bounded on the southeast by a transmission line, on the northwest by the 15 Freeway, and on the west by Citrus Avenue.

Candidate Sector J-5 (30 acres): This Sector is in Section 18, T1N, R5W, SBBM. It is bounded on the south by a utility corridor, on the west by a transmission line, and on the northwest by the 15 Freeway.

Candidate Sector J-6 (755 acres): This Sector is in Sections 18 and 19, T1N, R5W, SBBM. It is bounded on the north by a transmission line and utility corridor, on the west by Citrus Avenue, on the east by Sierra Avenue, and on the south by Highland Avenue.

Candidate Sector J-7 (48 acres): This Sector is in Section 24, T1N, R6W, SBBM. It is bounded on the south by a utility corridor, on the north by Duncan Canyon Road, on the east by Sierra Avenue, and on the west by Lytle Creek Road.

Candidate Sector J-8 (44 acres): This Sector is in Section 24, T1N, R6W, SBBM. It is bounded on the north by a utility corridor, on the south by a transmission line, on the west by Lytle Creek Road, and on the east by Sierra Avenue.

Candidate Sector J-9 (63 acres): This Sector is in Section 25, T1N, R6W, SBBM. It is bounded on the north by Summit Avenue, on the east by Citrus Avenue, and on the south by La Sierra Drive.

Candidate Sector J-10 (197 acres): This Sector is in Sections 17, 20, and 29 T1N, R5W, SBBM. It is bounded by Sierra Avenue on the west, by Windflower Avenue on the south, and by Mango Avenue on the east.

Candidate Sector J-11 (77 acres): This Sector is in the northeast ¼ of Section 29, T1N, R5W, SBBM. It is bounded on the east by Alder Avenue, on the north by Summit Avenue.

Candidate Sector J-12 (90 acres): This Sector is in the southeast ¼ Section 29, T1N, R5W, SBBM. It is bounded on the east by Alder Avenue. The Mid-Valley Landfill Pit operated by Robertson's Ready Mix Concrete Company is in this Sector.

Candidate Sector J-13 (36 acres): This Sector is in Section 34, T1N, R5W, SBBM. It is bounded on west by Ayala Drive and on the south by Jerry Eaves Park.

Candidate Sector K (90 acres): This Sector is in Section 25, T6S, R4W, SBBM. It is north of Lake Elsinore, on the northeast corner of the Corona Freeway and Nichols Road. The area is the site of an active crushed-stone quarry operated by the Pacific Aggregates, Inc.

**CANDIDATE AREAS FOR TERMINATION OF DESIGNATION:** Fifty-seven areas in eight Sectors are identified by the State Geologist as potential candidates for termination of designation status due to high-value incompatible land use developments. These areas are shown on the accompanying Plates.

Candidates for Termination of Designation in Sector A-4 (totaling 447 acres): There are four separate locations: 1) a small area of housing development along the northeastern edge of the Sector, adjacent to the 15 Freeway; 2) a housing development on the northwestern side of the 15 Freeway; 3) a small area in the southwestern tip of the Sector is now used for a freeway interchange; and 4) housing development and freeway (State Route 210) in the southeastern part of the Sector. It is likely that this development will preclude mining of the 92.5 million tons of resources contained in these parts of Sector A-4.

Candidate for Termination of Designation - Sector A-6 (92 acres): This Sector is north of Highland Avenue and is now covered by the State Route 210 Freeway. It is likely that this will preclude mining of the approximately 21.5 million tons of PCC-grade aggregate resources contained in Sector A-6.

Candidates for Termination of Designation in Sector A-7 (504 acres): There are three separate locations: 1) an area in the northwestern part that is now covered by a freeway interchange; 2) much of the eastern half of the Sector that has been urbanized and covered by the State Route 210 Freeway; and 3) a small area of housing development in the southwestern part of the Sector. It is likely that this will preclude future mining of the approximately 130.6 million tons of PCC-grade aggregate resources contained in Sector A-7.

Candidate for Termination of Designation – part of Sector A-8 (442 acres): Most of this Sector has been covered by housing. It is likely that this will preclude future mining of the approximately 126 million tons of PCC-grade aggregate resources contained in Sector A-8.

Candidate for Termination of Designation - part of Sector A-9 (251 acres): Most of this Sector has been covered by housing development. It is likely that this will preclude mining of the approximately 74.9 million tons of PCC-grade aggregate resources contained in this part of Sector A-9.

Candidate for Termination of Designation – part of Sector A-13 (232 acres): Most of this Sector is covered by housing development in the northern and eastern areas. It is likely that this will preclude mining of approximately 74.9 million tons of PCC-grade aggregate resources contained in those parts of Sector A-13.

Candidate for Termination of Designation - Sector A-15 (58 acres): This Sector is in an area south of Foothill Boulevard, east of Beech Avenue, north of Arrow Route, and west of Lime Avenue. It is likely that industrial development will preclude mining of the approximately 14.9 million tons of PCC-grade aggregate resources contained in Sector A-15.

Candidate for Termination of Designation – part of Sector A-16 (12 acres): Industrial development now covers this part of the central area of this Sector. It is likely that this will preclude mining of the 3 million tons of PCC-grade aggregate resources contained in this part of Sector A-16.



Candidate for Termination of Designation – parts of Sector A-17 (10 acres): Industrial development now covers two areas along the western edge of the Sector. It is likely that this will preclude mining of the approximately 2.2 million tons of PCC-grade aggregate resources contained in these two parts of Sector A-17.

Candidate for Termination of Designation - Sector A-18 (40 acres): This Sector is south of Arrow Boulevard and north of the Burlington Northern-Southern Pacific Railway Line, between Beech and Lime avenues. Industrial development now covers this Sector. It is likely that this will preclude mining of the approximately 9.2 million tons of PCC-grade aggregate resources contained in Sector A-18.

Candidate for Termination of Designation – part of Sector A-19 (totaling 8 acres): There is industrial development in the eastern and southeastern part of the Sector, on the northwestern corner of Citrus Avenue and the Burlington Northern-Southern Pacific Railway Line. It is likely that this area will preclude mining of the 1.4 million tons of resources contained in this part of Sector A-19.

Candidate for Termination of Designation – Sector A-23 (75 acres): This Sector is south of Freeway 10, north of Slover Avenue and east of Sierra Avenue. Urban and industrial development now covers this Sector. It is likely that this will preclude mining of the 17 million tons of PCC-grade aggregate resources contained in Sector A-23.

Candidate for Termination of Designation – Sector A-24 (46 acres): This Sector is south of Slover Avenue and north of Santa Ana Avenue, between Spruce and Cactus avenues. Housing development now covers the Sector. It is likely that this will preclude mining of the 4.3 million tons of PCC-grade aggregate resources contained in Sector A-24.

Candidate for Termination of Designation - Sector A-27 (45 acres): This Sector is south of Santa Ana Avenue and north of Jurupa Avenue, between Lilac and Cactus avenues. Housing and industrial development now covers this Sector. It is likely that this will preclude mining of the approximately 4 million tons of PCC-grade aggregate resources contained in Sector A-27.

Candidate for Termination of Designation – Sector A-28 (215 acres): This Sector is between Hall Avenue and South Riverside Avenue, and northwest of Agua Mansa Road. It is likely that industrial development in this area will preclude mining of the 13.6 million tons of resources contained in Sector A-28.

Candidate for Termination of Designation – part of Sector B-6 (38 acres): The northern and northeastern part of the Sector, south of Freeway 210 and west of Brampton Avenue is now covered by housing development. It is likely that this will preclude mining of the 2.1 million tons of resources contained in this part of Sector B-6.

Candidate for Termination of Designation – part of Sector B-7 (41 acres): The northern edge of the Sector is now covered by the State Route 210 Freeway. It is likely that this will preclude mining of the 10.2 million tons of PCC-grade aggregate resources contained in this part of Sector B-7.

Candidate for Termination of Designation – Sector B-12 (13 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 0.9 million tons of PCC-grade aggregate resources contained in Sector B-12.

Candidate for Termination of Designation - Sector B-16 (8 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 0.6 million tons of PCC-grade aggregate resources contained in Sector B-16.

Candidate for Termination of Designation – Sector B-17 (8 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the 0.3 million tons of resources contained in Sector B-17.

Candidate for Termination of Designation – part of Sector C-4 (28 acres): The Sector east of Little League Drive is now covered by urban development. It is likely that this will preclude mining of the 5.2 million tons of resources contained in this part of Sector C-4.

Candidate for Termination of Designation – part of Sector C-10 (37 acres): The Sector east of Cable Creek is now covered by housing development. It is likely that this will preclude mining of the 3.7 million tons of PCC-grade aggregate resources contained in this part of Sector C-10.

Candidate for Termination of Designation – Sector D-2 (121 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 9 million tons of PCC-grade aggregate resources contained in Sector D-2.

Candidate for Termination of Designation - Sector D-3 (270 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 19.5 million tons of PCC-grade aggregate resources contained in Sector D-3.

Candidate for Termination of Designation – Sector D-4 (70 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the 7.8 million tons of resources contained in Sector D-4.

Candidate for Termination of Designation – Sector D-5 (91 acres): This Sector is now covered by industrial development. It is likely this will preclude mining of the 7 million tons of resources contained in Sector D-5.

Candidate for Termination of Designation – Sector D-6 (72 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the 5.3 million tons of PCC-grade aggregate resources contained in Sector D-6.

Candidate for Termination of Designation – Sector E-4 (51 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 8.9 million tons of PCC-grade aggregate resources contained in Sector E-4.



Candidate for Termination of Designation – part of Sector E-10 (45 acres): The Sector just east of South Riverside Avenue and north of the Santa Ana River is now covered by industrial development. It is likely that this will preclude mining of the approximately 4.7 million tons of PCC-grade aggregate resources contained in this part of Sector E-10.

Candidate for Termination of Designation – part of Sector E-13 (12 acres): The Sector along the south side of Pellisier Road is now covered by industrial development. It is likely that this will preclude mining of the 1.3 million tons of resources contained in this part of Sector E-13.

Candidate for Termination of Designation – part of Sector E-24 (94 acres): The southeastern part of the Sector, along Crestmore Road, is now covered by housing development. It is likely that this will preclude mining of the 13.7 million tons of resources contained in this part of Sector E-24.

Candidate for Termination of Designation – Sector F-1 (48 acres): Urban development now covers most of the Sector. It is likely that this will preclude mining of the 4.7 million tons of PCC-grade aggregate resources contained in Sector F-1.

Candidate for Termination of Designation – part of Sector F-2 (46 acres): Housing development now covers part of this Sector. It is likely that this will preclude mining of the approximately 2.9 million tons of PCC-grade aggregate resources contained in this part of Sector F-2.

Candidate for Termination of Designation – part of Sector F-3 (16 acres): Housing development now covers part of this Sector. It is likely that this will preclude mining of the approximately 8.3 million tons of PCC-grade aggregate resources contained in this part of Sector F-3.

Candidate for Termination of Designation – Sector F-4 (135 acres): This Sector is now covered by housing development. It is likely that this will preclude mining of the 50 million tons of resources contained in Sector F-4.

Candidate for Termination of Designation – Sector F-5 (13 acres): Housing development now covers this Sector. It is likely that this will preclude mining of the 1.8 million tons of PCC-grade aggregate resources contained in Sector F-5.

Candidate for Termination of Designation – part of Sector F-6 (20 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 8.3 million tons of PCC-grade aggregate resources contained in this part of Sector F-6.

Candidate for Termination of Designation – Sector F-12 (54 acres): This Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 3.2 million tons of PCC-grade aggregate resources contained in Sector F-12.



Candidate for Termination of Designation – part of Sector F-14 (69 acres): Part of this Sector is now covered by housing development. It is likely that this will preclude mining of the 48.7 million tons of resources contained in this part of Sector F-14.

Candidates for Termination of Designation – parts of Sector F-15 (272 acres): Housing and other urban development now covers some of the southern parts of the Sector. It is likely that this will preclude mining of the 121.2 million tons of PCC-grade aggregate resources contained in these parts of Sector F-15.

Candidate for Termination of Designation – part of Sector F-16 (2 acres): Part of this Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 0.4 million tons of PCC-grade aggregate resources contained in this part of Sector F-16.

Candidate for Termination of Designation – part of Sector F-17 (2 acres): Part of this Sector is now covered by industrial development. It is likely that this will preclude mining of the approximately 0.4 million tons of PCC-grade aggregate resources contained in this part of Sector F-17.

Candidate for Termination of Designation – parts of Sector F-23 (20 acres): Parts of this Sector are now covered by industrial development and a bridge. It is likely that this will preclude mining of the 3 million tons of resources contained in these parts of Sector F-23.

Candidate for Termination of Designation – Sector H (192 acres): This Sector is now depleted.

Candidate for Termination of Designation – Sector I (256 acres): This Sector is now covered by housing and other urban development. It is likely that this will preclude mining of the 16.1 million tons of resources contained in Sector I.

## **REFERENCES:**

Miller, R.V., and Busch, L.L., 2008, Update of mineral land classification for Portland cement concrete-grade aggregate in the San Bernardino Production-Consumption Region: California Geological Survey Special Report 206.

Miller, R.V., 1987, Mineral land classification of the greater Los Angeles area, classification of sand and gravel resource areas, San Bernardino Production-Consumption Region: Division of Mines and Geology Special Report 143, Part VII.

State Mining and Geology Board, 1987, Designation of regionally significant construction aggregate resources in the Claremont-Upland and San Bernardino Production-Consumption Regions: SMARA Designation Report No. 5.

**RESPONSE TO COMMENTS:** One comment was received pertaining to the proposed designation of mineral lands.

**Comment No. 1 - Candidate Sector K (90 acres):** We understand the need to protect mineral resources from being eliminated because of development pressures and we think this is appropriate for certain areas that have proven reserves. Regarding sector K, we are concerned that the MRZ designation is being considered solely to give legitimacy to lead agency approvals for sites that have questionable vested rights. One site in particular within the City of Lake Elsinore, has already been proven to not be vested and allowed to begin operations without a Surface Mining Permit as required by SMARA. Another well known clay mining site has been allowed to change and intensify vested mining, without amending the requisite reclamation plan. This has resulted in serious, damaging consequences for nearby neighborhoods. We are hopeful that you will consider this carefully before approving the MRZ zone. If it is approved we are requesting that the State monitor any future mining applications for compliance with SMARA requirements, which should require Surface Mining Permits with consideration given to CEQA and existing adjacent development.

**Response to Comment No. 1:** The designation of mineral lands by the SMGB as proposed by the State Geologist pursuant to SMARA is based on geologic factors, and does not guarantee that such land use will be set aside by the local lead agency for mining purposes. The lead agency ultimately determines whether it will grant a permit for mining. Pursuant to Public Resources Code Section 2774.2(A), the SMGB cannot exercise permitting authority on behalf of a lead agency. In this case the site is already in use as an active mining operation. Designation does not prevent subsequent conservation of these areas, or consideration of some other land use incompatible with mining.

**Comment No. 2 in Support for the Continued Termination of Sector H:** Sector H is located in Alberhill and is now a residential area, which also includes a Charter School being operated at the Boys and Girls Club, etc. Sector H will be harmful to our health and quality of life as well as the depreciation of the values of our homes as well as our neighbors. Sector H will be especially horrific when the construction of SCE's Fogarty Sub-Station (construction is scheduled to begin soon, and will be ongoing for many years).

**Response to Comment No. 2:** No response is deemed necessary since the State Geologist concurs with the proposed regulatory action for termination of designation in this area.

**POLICY STATEMENT OVERVIEW:** The proposed regulatory language would allow consideration of new information obtained since the publication of the 1988 Mineral Land Classification study has resulted in the reclassification of some areas originally classified MRZ-3 in that study. There are two areas reclassified as MRZ-2 for PCC-grade aggregate. One is between Sectors A and B, and is identified as Sector J which is divided into 13 subsectors; and the other is north of Lake Elsinore and is identified as Sector K. Each Sector may be considered for designation as an area of regional or statewide significance by the SMGB pursuant to Article 6, Section 2790 *et seq.* (SMARA), meets or exceeds the threshold value as established by the Board. At the time of the updated classification study, that threshold value amounted to approximately 1.3 million tons of aggregate. The permitted aggregate resources contained in these Sectors are considered proprietary. This proposed regulation is necessary in order for the State to meet its aggregate availability needs.

**CEQA COMPLIANCE:** The SMGB has determined that this rule making action is not a project as defined in the California Environmental Quality Act (CEQA) and is exempt from the requirements of CEQA, Title 14, CCR, Section 15061(b)(3), no possibility of a significant effect on the environment.

**DISCLOSURES REGARDING THE PROPOSED ACTION:** The SMGB's Executive Officer has made the following preliminary determinations:

**Mandate on local agencies and school districts:** The adoption of this amended regulation does not impose any new mandates on local agencies or on local school districts.

**Costs or savings to any State agency:** The proposed amended regulation imposes no savings or additional expenses to state agencies.

**Cost to any local agency or school district which must be reimbursed in accordance with Government Code Sections 17500 through 17630:** The proposed amended regulation does not impose any additional cost obligations on local agencies or on local school districts.

**Other non-discretionary costs or savings imposed upon local agencies:** No other non-discretionary costs or savings to local agencies are imposed by the proposed amended regulation.

**Cost or savings in Federal funding to the State:** There are no costs or savings in Federal funding to the State.

**Significant statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states:** No statewide adverse impacts to California businesses result from the adoption of this proposed amended regulatory language.

**Potential cost impact on private persons or directly affected businesses:** The imposition of the proposed amended language on a directly affected local mining operation will have a positive cost impact to that operation by the recognition of designated mineral land of regional significance which in some circumstances may reduce the amount of time, thus cost, in acquiring a permit to mine from its lead agency.

**Creation or elimination of jobs in California:** The adoption of this amended regulation will not:

- Create nor eliminate jobs within California;
- Create new nor eliminate existing businesses within California;
- Expand businesses currently doing business in California.

**Significant effect on housing costs:** The adoption of this amended regulation will have no significant effect on housing costs, but may reduce such costs by provided a source of PCC-grade aggregate closer to users and market areas.

**Effects on small businesses:** The imposition of the proposed amendment will have no significant cost impact on small businesses.

**CONSIDERATION OF ALTERNATIVES:** The SMGB must determine that no reasonable alternative that it considers or that has otherwise been identified and brought to the attention of the SMGB would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action. The SMGB's Executive Officer has not identified any adverse impacts resulting from the proposed regulation.

No alternatives have been considered by the SMGB at this time that would be more effective in carrying out the purpose for which the regulatory action is proposed, nor have any other alternatives been proposed that would be as effective and less burdensome to affected private persons, lead agencies, or small businesses.

**CONFLICT WITH FEDERAL REGULATIONS:** This regulation change does not duplicate or conflict with existing Federal statutes or regulations. Also, by Memorandum of Understanding with the Federal Bureau of Land Management, the U. S. Forest Service, the Department of Conservation, and the SMGB, SMARA and federal law are coordinated to eliminate duplication.

**SPECIFIC PURPOSE:** The proposed amended regulatory language is intended to provide guidance and consideration to San Bernardino and Riverside Counties, when considering long-term aggregate availability needs, and permits to mine within their respective jurisdictions.

**STATEMENT OF NECESSITY:** In 2006, the California Geological Survey (CGS) in their statewide report titled "*Map Sheet 52 (Updated 2006), Aggregate Availability in California*" note that the San Bernardino Production-Consumption Region 50-year demand for aggregate is on the order of 1,074 million tons. Permitted aggregate resources are on the order of 262 million tons. The percentage of permitted aggregate resources as compared to the 50-year demand is 24 percent, significantly lower than the projected demand. In addition, California Geological Survey (CGS) Special Report 206 updated information previously presented in the classification report on Portland cement concrete-grade (PCC) aggregate in the San Bernardino Production-Consumption (P-C) Region completed in 1984. In this report, it was reported that about 4,427 acres, containing 959 million tons of resources, have been lost to urbanization or depleted between 1987 and 2007. Permitted reserves were projected to last until year 2024, 17 years from the date of the report.

PRC Section 2755 provides the SMGB the authority to adopt regulations that establish state policy for the reclamation of mined lands in accordance with Article 1 (commencing with Section 2710) of this chapter and pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. PRC Section 2790, states that after receipt of mineral information from the State Geologist, the SMGB may by regulation adopted after a public hearing designate specific geographic areas of the state as areas of statewide or regional significance and specify the boundaries thereof. Such designation shall be included as a part of the state policy and shall indicate the reason

for which the particular area designated is of significance to the state or region, the adverse effects that might result from premature development of incompatible land uses, the advantages that might be achieved from extraction of the minerals of the area, and the specific goals and policies to protect against the premature incompatible development of the area. PRC Section 2791 also requires the SMGB to seek the recommendations of concerned federal, state, and local agencies, educational institutions, civic and public interest organizations, and private organizations and individuals in the identification of areas of statewide and regional significance.

**IDENTIFICATION OF TECHNICAL / THEORETICAL / EMPIRICAL STUDY, REPORTS, OR DOCUMENTS UPON WHICH THE SMGB HAS RELIED:**

At its December 11, 2008, regular business meeting, the SMGB accepted California Geological Survey (CGS) Special Report 206 which updated information previously presented in a classification report on Portland cement concrete-grade (PCC) aggregate in the San Bernardino Production-Consumption (P-C) Region completed in 1984. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 143, Part VII (SR 143, Part VII) – *Mineral Land Classification of the Greater Los Angeles Area, Part VII, Classification of Sand and Gravel Resources Areas, San Bernardino Production-Consumption Region*. At its July 9, 2010, regular business meeting, the SMGB accepted the recommendations set forth by the State Geologist for designation, and termination of designation, of mineral resources of regional or statewide economic significance in the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties. A public hearing was held on July 30, 2010, to receive comment of the proposed designations and termination of designated mineral lands. The SMGB considered acceptance of the proposed regulatory language, which would amend CCR Section 3550.8, and directing the Executive Officer to commence the rulemaking process, at its regular business meeting held on December 9, 2010. The SMGB also considered information presented in CGS's 2006 report titled "*Map Sheet 52 (Updated 2006), Aggregate Availability in California.*"

**EXECUTIVE OFFICER'S RECOMMENDATIONS:** Upon review and discussion, the SMGB may consider accepting the proposed amendment of existing regulations, and directing the Executive Officer to commence rulemaking in accordance with the Administrative Procedure Act. The Executive Officer thus recommends that the SMGB approve the proposed regulatory language for adoption which would amend CCR Section 3550.8. It is also recommended that the SMGB direct the Executive Officer to commence the rulemaking process, and proceed with the 45-Day notice to adopt regulations for the designation, and termination of designation, of mineral lands of regional significance.



**SUGGESTED MOTION LANGUAGE:** The Executive Officer offers the following motion language for the SMGB's consideration:

Motion to accept the proposed regulatory language and commence rulemaking:

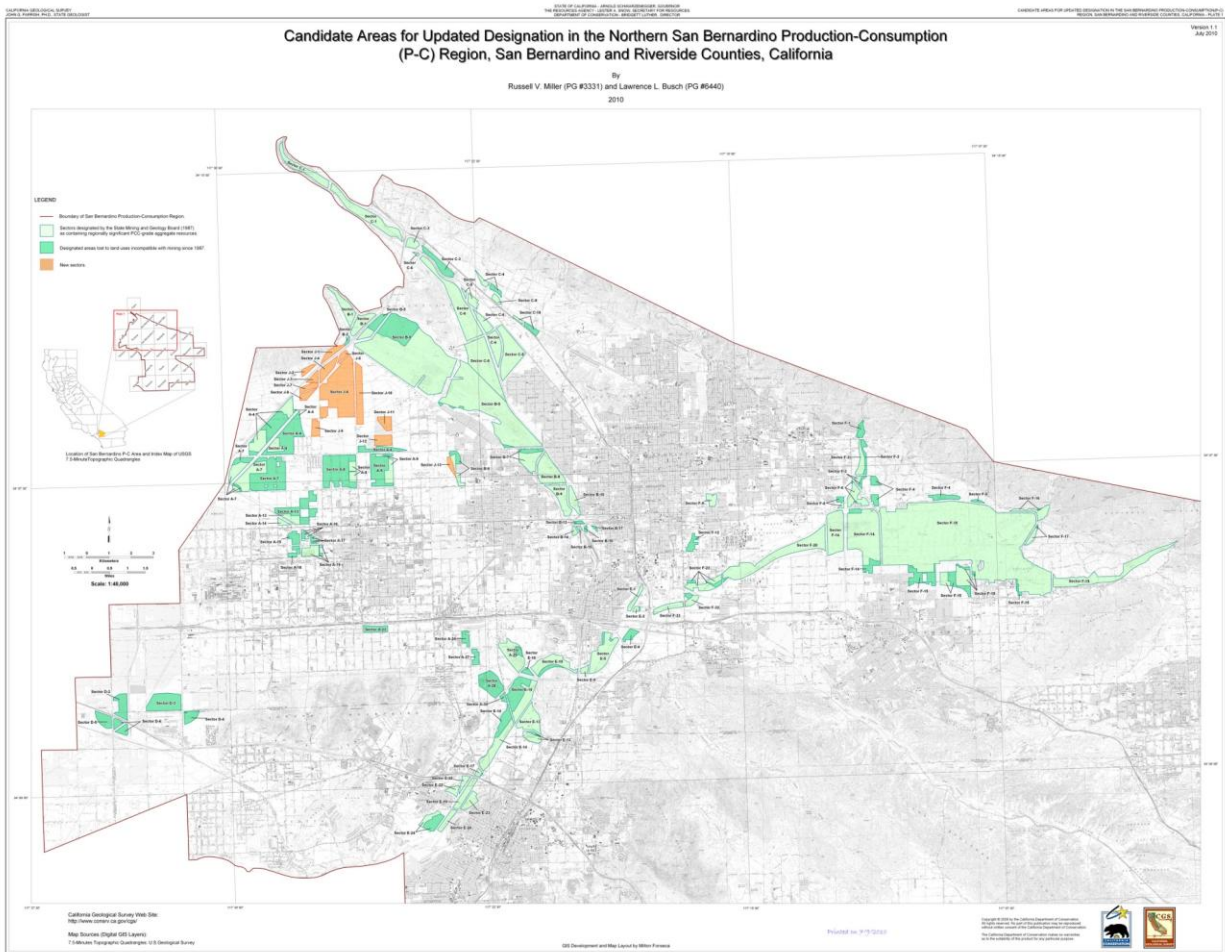
*Mr. Chairman, in light of the information before the SMGB today, I move that the Board accept the proposed regulatory language and direct the Executive Officer to commence the rulemaking process, and proceed with the 45-Day notice to adopt regulations for the designation of mineral lands of regional significance, notably, Sectors J and K (and their sub-sectors), and certain areas for termination of designation, within the San Bernardino Production-Consumption Region, San Bernardino and Riverside, California.*

Respectfully submitted:

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Stephen M. Testa  
Executive Officer

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